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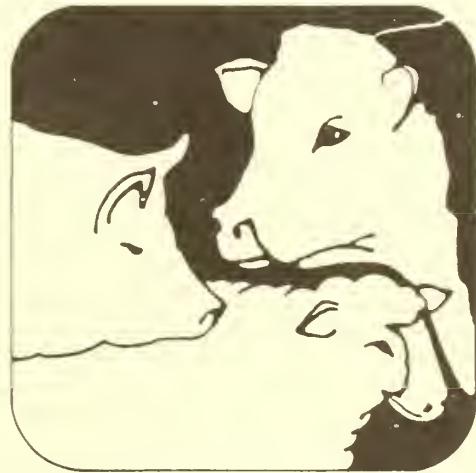


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SUPPLEMENT TO LMS-202

LIVESTOCK AND MEAT Situation



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LIVESTOCK AND MEAT SITUATION

Fewer Fed Cattle Ahead

The 23-States Cattle on Feed report released in mid-April showed further reductions in cattle feeding during the past few months, and reported plans by feeders to reduce marketings of fed cattle even more sharply in the months ahead.

23 States cattle on feed, placements and marketings

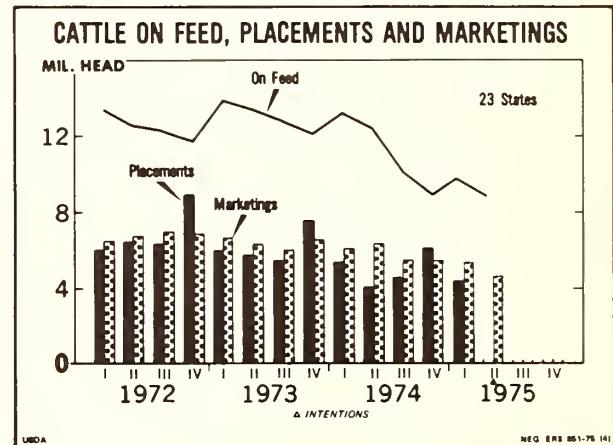
Year	On feed	Change previous year	Place- ments	Change previous year	Market- ings	Change previous year
		1,000 head		Percent		Percent
1971						
I	12,209	-0.3	5,734	+12.0	6,231	+1.4
II	11,712	+0.8	5,455	+4.1	6,278	+0.9
III	10,889	+2.4	6,371	+3.7	6,594	+4.6
IV	10,666	+2.3	8,842	+10.6	6,178	-0.6
1972						
I	13,330	+9.2	5,933	+3.5	6,443	+3.4
II	12,820	+9.5	6,364	+16.7	6,727	+7.2
III	12,457	+14.4	6,224	-2.3	6,907	+4.7
IV	11,774	+10.4	8,862	+0.2	6,775	+9.7
1973						
I	13,861	+4.0	6,040	+1.8	6,585	+2.2
II	13,315	+3.9	5,696	-10.5	6,283	-6.6
III	12,729	+2.2	5,283	-15.1	5,958	-13.7
IV	12,054	+2.4	7,491	-15.5	6,478	-4.4
1974						
I	13,067	-5.7	5,242	-13.2	5,999	-8.9
II	12,310	-7.6	4,008	-29.6	6,271	-0.2
III	10,047	-21.1	4,627	-12.4	5,522	-7.3
IV	9,152	-24.1	6,005	-19.8	5,542	-14.4
1975						
I	9,619	-26.4	4,320	-17.6	5,487	-8.5
II	8,452	-31.3			4,703 ¹	-25.0

¹ Expected marketings.

The April 1 inventory of cattle in feedlots stood at 8.5 million head, down 31 percent from last year and the fewest for that date since 1963. Cattle feeders met earlier intentions and marketed 5.5 million fed cattle during January-March, 9 percent fewer than a year earlier, but about the same as marketings in the third and fourth quarters of 1974. Marketings in the winter far outpaced placements, reducing the April 1 inventory 12 percent from the January 1 level.

Intentions for April-June are for 4.7 million fed cattle to be marketed,

the fewest for the spring period since 1965 and well below the level of the past 9 months. Fewer fed cattle, an expected seasonal reduction in cow slaughter, and smaller pork supplies will help maintain strength in spring fed cattle prices.



Weekly slaughter rates have dropped substantially from near-record levels earlier this winter, averaging about 650,000 head in April compared with over 700,000 head in January and February. Choice steers at Omaha at the end of April were selling near \$44 per 100 pounds, up over \$10 from March lows. Most of this price strength should be sustained through the April-June quarter. Although seasonally smaller than the winter, cattle slaughter in April was still about 10 percent above a year ago.

Higher fed cattle prices and stable feed prices have helped to improve profit margins recently. This could promote movement of cattle into feedlots in the months ahead. While still low, placements in the seven major cattle feeding States during March increased for the first time in 8 months, and were up 20 percent from the year-earlier level. Iowa was the only State of the seven to reduce placements in March. Placements during the spring will likely show further advances from the depressed

level of a year ago. However, profit margins will continue to be tight and any decline in the fed cattle market could mean mounting losses once again for cattle feeders. Feeder cattle prices have moved higher with the fed cattle market, rising from lows of \$27 per 100 pounds in February to over \$31 during the last week of April for Choice 600-700 pound feeders at Kansas City.

Grade Change Delayed

A revision of U.S. grade standards for beef, which had been scheduled to go into effect on April 14, has been delayed pending resolution of a lawsuit brought against USDA by the Omaha Independent Meat Packers Association in the U.S. District Court in Omaha, Nebraska.

In denying USDA's request to overturn a preliminary injunction, the Court of Appeals ordered the District Court to hold a hearing on the merits of the case and render a decision within 45 days.

Livestock Production Up, Income Down

Farm production of meat animals (total live weight) was up 2.6 percent in 1974 to 63.6 billion pounds, while income and cash receipts from marketings declined. Cash receipts from marketings of cattle, hogs, and sheep in 1974 amounted to \$25.2 billion, a 17 percent decline from the previous year. Gross income from meat animal production in 1974 was \$26 billion, down \$5 billion from the 1973 record but still \$1.6 billion above 1972.

Cattle and calves accounted for two-thirds of 1974 total meat animal production and for all of the increase over 1973 total production. Production of cattle and calves totaled 42.7 billion pounds, up 4 percent from a year earlier. However, cash receipts fell 20 percent from 1973 to \$17.9 billion and gross income declined 19 percent to \$18.4 billion.

Meat Animals: Production and Income

	:	:	:	:	:	:	:	:
	:	1972	:	1973	:	1974	:	74/73
	:	:	:	:	:	:	:	%
Cattle and Calves	:							
Production(mil.lb.) ¹	:	41,223	41,100	42,736	+ 4			
Marketings(mil.lb.) ²	:	53,172	51,201	50,315	- 2			
Cash receipts(mil.dol.) ³	:	18,247	22,410	17,389	-20			
Gross income(mil.dol.)	:	18,545	22,815	18,387	-19			
Hogs and Pigs	:							
Production(mil.lb.) ¹	:	21,113	19,987	20,052	0			
Marketings(mil.lb.) ²	:	21,159	19,435	20,385	+ 5			
Cash receipts(mil.dol.) ³	:	5,306	7,463	6,975	- 7			
Gross income(mil.dol.)	:	5,434	7,663	7,196	- 6			
Sheep and lambs	:							
Production(mil.lb.) ¹	:	1,006	891	803	-10			
Marketings(mil.lb.) ²	:	1,396	1,277	1,173	- 8			
Cash receipts(mil.dol.) ³	:	352	389	366	- 6			
Gross income(mil.dol.)	:	358	396	374	- 6			

¹/ Adjustment made for changes in inventory and for in-shipments. ²/ Excludes custom slaughter for use on farms where produced and interfarm sales within the State. ³/ Receipts from marketings and sale of farm slaughter.

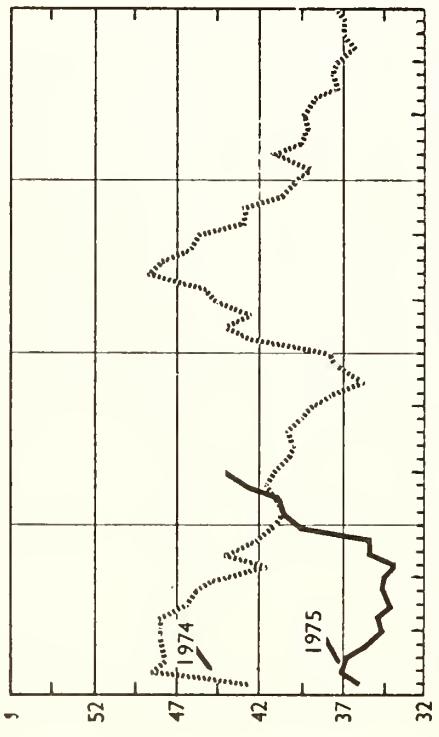
Hog and pig production of 20 billion pounds in 1974 accounted for nearly one-third of total meat animal production. This represented little gain over a year earlier. Gross income in 1974 was \$7.2 billion, down 6 percent from 1973. Cash receipts were down 7 percent to about \$7 billion.

Sheep and lamb production, only 1 percent of total meat animal production, dropped 10 percent in 1974 to 803 million pounds. Gross income was \$374 million, down 6 percent from a year earlier, and cash receipts from marketings fell 6 percent to \$366 million.

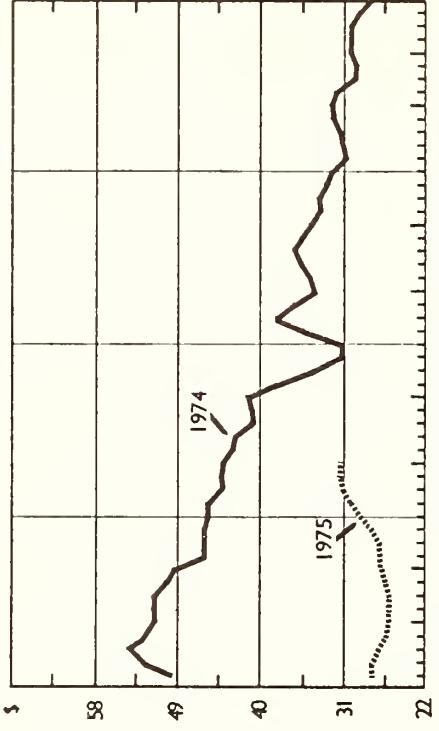
Farm Slaughter Increased

Depressed livestock markets in 1974 prompted farmers to slaughter more animals for home use. Farm slaughter of cattle and calves in 1974 increased almost 50 percent from 1973, totaling 700,000 head. Farm slaughter of hogs rose 25 percent to 1.3 million head, while farm slaughter of sheep and lambs was 226,000 head, up 12 percent from 1973.

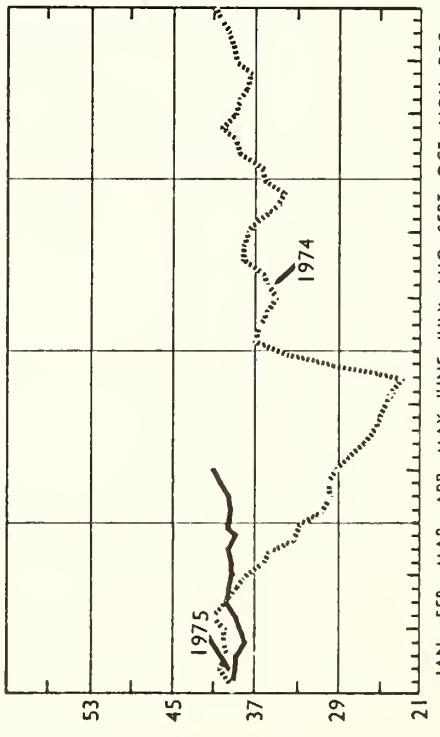
CHOICE STEERS - OMAHA



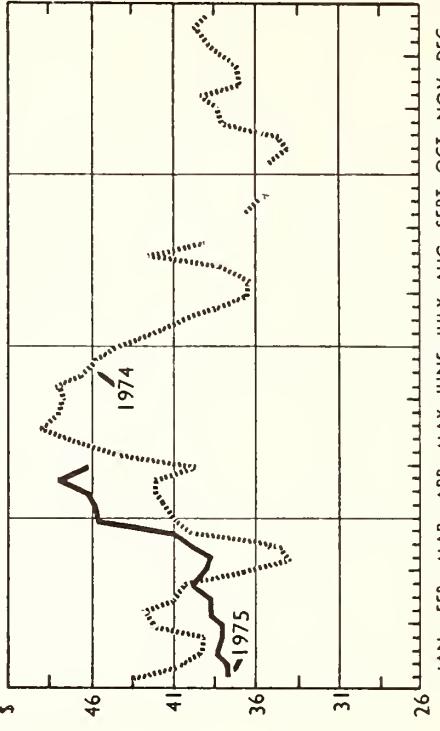
CHOICE FEEDER STEERS - OMAHA*



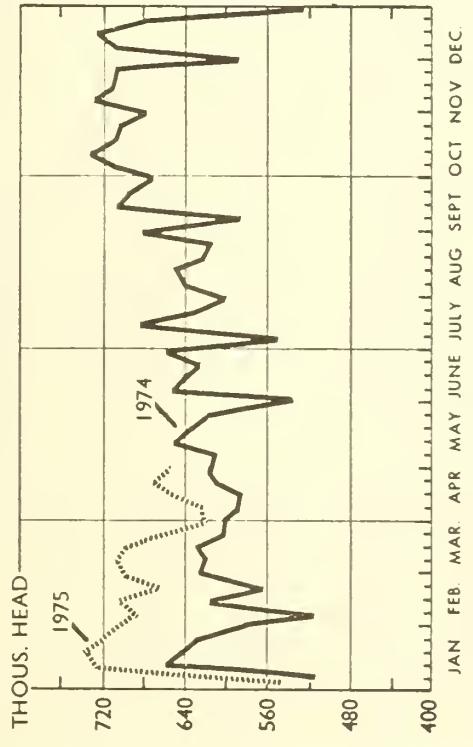
AVERAGE PRICE BARROWS & GILTS*



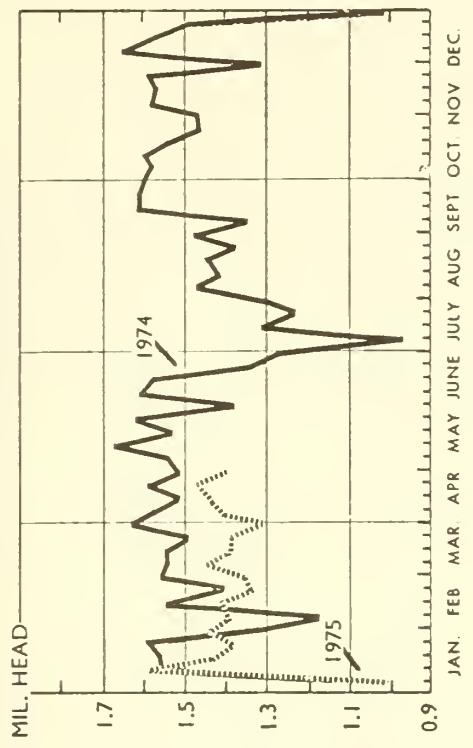
CHOICE SLAUGHTER LAMBS - SAN ANGELO*



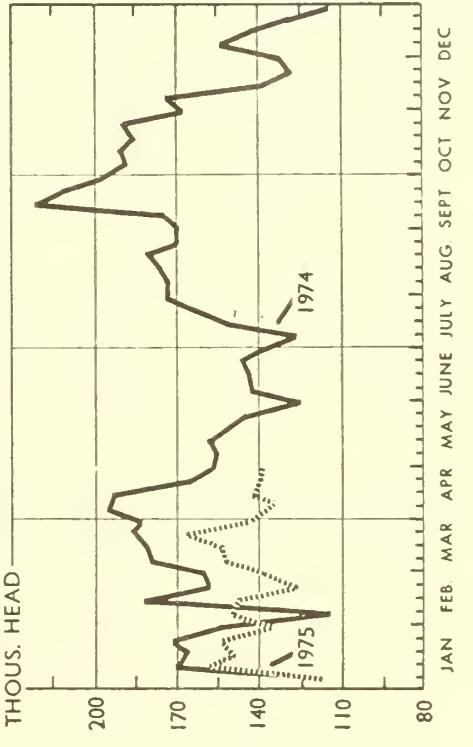
F.I. CATTLE SLAUGHTER



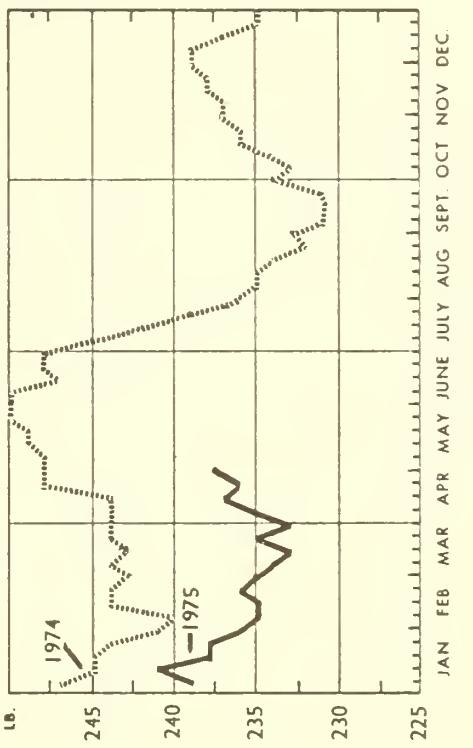
F.I. HOG SLAUGHTER



F.I. SHEEP & LAMB SLAUGHTER



LIVE WEIGHT BARROWS & GILTS*



LIVESTOCK DIVISION - AMS

*SEVEN MARKETS COMBINED

U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

U.S. DEPARTMENT OF AGRICULTURE

Selected price statistics for meat animals and meat

Item	1974				1975			
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
<i>Dollars per 100 pounds</i>								
CATTLE AND CALVES								
Beef steers, slaughter, Omaha								
Prime	42.65	40.81	38.98	37.76	37.02	35.86	37.34	44.56
Choice	41.41	39.75	38.04	37.05	36.27	34.80	36.08	43.01
Good	39.20	37.83	36.16	35.36	34.30	32.77	33.92	40.84
Standard	35.70	33.97	33.05	31.85	29.52	28.37	30.15	34.70
Utility	33.62	32.54	---	---	---	---	---	---
All grades	40.64	39.21	37.54	36.46	35.59	34.12	35.36	42.24
Choice 900-1100 pounds, California	41.00	39.95	38.75	38.75	39.65	37.19	38.81	45.50
Choice 900-1100 pounds, Colorado	41.56	40.11	38.19	37.66	36.65	34.52	36.21	42.95
Cows, Omaha								
Commercial	22.46	19.68	17.70	17.81	16.86	18.19	19.54	21.87
Utility	22.56	19.68	17.62	17.67	16.82	18.18	19.45	21.67
Cutter	21.04	17.65	15.72	15.91	15.00	16.02	17.25	18.98
Canner	19.48	16.18	13.69	13.81	12.96	13.58	14.99	16.51
Vealers, Choice, S. St. Paul	43.44	40.12	36.48	34.46	36.88	40.25	38.90	46.84
Stocker and feeder steers, Kansas City ¹	29.80	29.80	27.97	26.05	26.79	26.82	27.86	30.13
Price received by farmers								
Beef cattle	32.80	30.50	28.30	27.60	27.60	26.90	27.80	31.80
Cows	21.80	19.00	17.30	17.00	16.50	18.10	18.70	20.10
Steers and heifers	35.50	33.20	31.70	31.00	31.00	29.60	30.50	34.90
Calves	29.90	27.50	25.60	24.80	23.90	24.30	24.70	26.80
Beef steer-corn price ratio ²	11.7	10.8	10.9	10.8	11.6	12.3	12.9	14.8
HOGS								
Barrows and gilts, U.S.								
No. 1 and 2, Omaha								
180-200 pounds	---	---	---	---	---	---	---	---
200-220 pounds	36.21	39.42	38.90	41.28	39.68	40.20	40.17	41.54
220-240 pounds	36.48	39.46	38.92	41.30	39.79	39.89	40.20	41.61
Barrows and gilts, 7 markets ³	35.79	38.86	38.34	39.93	38.93	39.61	39.50	40.69
Sows, 7 markets ³	29.04	33.39	33.57	33.78	35.01	36.52	36.58	37.00
Price received by farmers	33.60	37.10	36.70	38.30	38.20	38.40	38.30	39.30
Hog-corn price ratio ⁴								
Omaha, barrows and gilts	10.3	10.6	11.0	11.8	12.6	14.1	14.3	14.1
Price received by farmers, all hogs	10.2	10.8	11.1	11.7	12.4	13.4	14.3	14.7
SHEEP AND LAMBS								
Sheep								
Slaughter ewes, Good, San Angelo	13.25	10.40	6.89	13.33	14.12	15.56	17.20	18.40
Price received by farmers	9.56	8.20	8.10	8.70	9.60	9.90	10.10	11.40
Lamb								
Slaughter, Choice, San Angelo	36.12	35.25	37.58	39.25	38.25	39.31	40.00	46.65
Feeder, Choice, San Angelo	30.42	31.75	36.25	36.42	34.12	35.31	37.38	43.66
Price received by farmers	32.70	33.10	34.90	36.10	36.90	38.10	39.90	47.20
ALL MEAT ANIMALS								
Index number price received by farmers (1967=100)	153	151	145	145	145	144	146	159
<i>Dollars per 100 pounds</i>								
MEAT								
Wholesale, Chicago, Carlot								
Steer beef carcass, Choice, 600-700 pounds	67.00	64.98	62.23	60.38	61.36	58.41	59.50	68.22
Heifer beef, Choice, 500-600 pounds	65.70	63.61	60.78	59.47	60.63	57.63	58.48	67.39
Cow beef, Canner and Cutter	45.90	41.70	37.96	38.94	36.94	39.62	41.84	44.40
Lamb carcass, Choice and Prime, 45-55 pounds	75.64	80.38	---	---	---	---	---	---
Fresh pork loins, 8-14 pounds	76.36	76.52	72.09	72.48	79.25	76.53	74.79	78.19
<i>Cents per pound</i>								
Retail, United States average								
Beef, Choice grade	141.6	136.8	134.4	132.2	132.8	129.0	127.0	
Pork, retail cuts and sausage	109.9	109.0	111.4	112.7	114.9	114.8	113.6	
Lamb, Choice grade	143.6	140.2	139.4	141.8	156.0	157.2	154.7	
Index number all meats (BLS)								
Wholesale (1967=100)	161.3	160.2	155.4	156.0	161.9	159.0	159.0	
Retail (1967=100)	166.7	163.5	163.0	161.7	161.9	160.9	159.7	
Beef and veal	172.9	166.8	163.7	160.1	158.5	156.6	153.3	
Pork	164.8	164.0	166.8	167.1	170.0	169.6	170.5	

¹ Average all weights and grades. ² Bushels of No. 2 Yellow Corn equivalent in value to 100 pounds of slaughter steers sold out of first hands. Omaha, all grades. ³ St. Louis N.S.Y., Kansas

City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis. ⁴ Number bushels of corn equivalent in value to 100 pounds of live hogs.

Selected marketings, slaughter and stock statistics for meat animals and meat

Item	Unit	1974					1975		
		Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Federally inspected									
Slaughter									
Cattle	1,000 head	2,876	2,787	3,230	2,929	2,902	3,152	2,778	2,826
Steers	1,000 head	1,463	1,442	1,590	1,403	1,403	1,535	1,412	1,452
Heifers	1,000 head	727	686	803	703	694	765	701	700
Cows	1,000 head	609	588	759	756	742	786	606	611
Bulls and stags	1,000 head	77	71	78	67	63	66	59	63
Calves	1,000 head	202	212	279	251	254	284	250	276
Sheep and lambs	1,000 head	777	842	851	612	595	662	570	648
Hogs	1,000 head	6,363	6,523	7,023	6,402	6,243	6,350	5,540	5,751
Percentage sows	Percent	10	9	8	8	7	5	4	4
Average live weight per head									
Cattle	Pounds	1,039	1,026	1,016	1,026	1,040	1,036	1,036	1,038
Calves	Pounds	226	229	227	211	204	216	216	222
Sheep and lambs	Pounds	101	102	104	104	106	106	107	106
Hogs	Pounds	243	243	243	245	246	242	236	236
Average dressed weight per head									
Beef	Pounds	625	611	607	607	604	609	608	613
Veal	Pounds	128	133	128	121	116	123	121	126
Lamb and mutton	Pounds	48	50	51	51	53	52	53	52
Pork	Pounds	165	165	165	166	187	187	184	183
Lard	Pounds	17	16	18	17	16	16	15	16
Production									
Beef	Mil. lb.	1,791	1,697	1,956	1,773	1,747	1,914	1,684	1,728
Veal	Mil. lb.	26	28	35	30	29	35	30	34
Lamb and mutton	Mil. lb.	37	42	43	31	31	34	30	34
Pork	Mil. lb.	1,202	1,073	1,154	1,062	1,023	1,049	900	922
Lard	Mil. lb.	113	107	123	108	99	98	84	91
Commercial									
Slaughter¹									
Cattle	1,000 head	3,168	3,085	3,601	3,268	3,234	3,506	3,082	3,132
Calves	1,000 head	260	286	375	330	342	375	330	361
Sheep and lambs	1,000 head	807	869	879	634	617	682	586	675
Hogs	1,000 head	6,747	6,877	7,430	6,787	6,672	6,759	5,892	6,105
Production									
Beef	Mil. lb.	1,952	1,855	2,149	1,947	1,917	2,100	1,843	1,890
Veal	Mil. lb.	40	47	59	50	51	59	50	56
Lamb and mutton	Mil. lb.	39	43	44	32	32	35	31	35
Pork	Mil. lb.	1,104	1,127	1,217	1,123	1,091	1,113	954	976
Lard	Mil. lb.	117	111	128	112	104	103	87	94
Cold storage stocks first of month									
Beef	Mil. lb.	403	376	347	359	359	402	414	392
Veal	Mil. lb.	14	13	12	12	13	14	15	14
Lamb and mutton	Mil. lb.	16	15	14	15	14	14	12	11
Pork	Mil. lb.	292	254	249	269	302	306	295	301
Total meat and meat products ²	Mil. lb.	802	723	693	723	753	803	815	798
Imports (carcass weight)									
Beef and veal	Mil. lb.	161	135	108	134	149	192	139	151
Pork	Mil. lb.	25	36	39	40	43	44	33	40
Lamb and mutton	Mil. lb.	1	1	1	1	1	1	2	2
Exports (carcass weight)									
Beef and veal	Mil. lb.	3.06	3.34	4.04	4.12	4.27	4.09	4.24	4.02
Pork	Mil. lb.	13.20	15.63	16.03	10.22	8.02	8.61	10.64	24.88
Lamb and mutton	Mil. lb.	.24	.27	.46	.48	.31	.39	.26	.39
Live animal imports									
Cattle	Number	12,992	15,317	8,698	6,683	16,136	7,570	7,272	6,421
Hogs	Number	13,450	9,646	8,692	11,914	1,612	2,417	2,586	2,170
Sheep and lambs	Number	43	136	136	19	345	2	14	2
Live animal exports									
Cattle	Number	9,183	16,435	31,993	22,745	28,985	25,877	15,046	14,405
Hogs	Number	950	1,103	1,912	2,212	1,105	246	4,105	472
Sheep and lambs	Number	18,074	16,907	27,176	24,515	36,612	29,254	27,975	32,502

¹ Federally inspected and other commercial. ² Includes stocks of canned meats in cooler in addition to the meats listed.

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